

Senate File 2118 - Introduced

SENATE FILE 2118

BY DANIELSON

A BILL FOR

1 An Act relating to contested charges for certain reimbursable
2 employers for unemployment insurance.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 96.7, subsection 8, paragraph b,
2 subparagraph (5), Code 2011, is amended to read as follows:

3 (5) The provisions for collection of contributions under
4 section 96.14 are applicable to reimbursements for benefits
5 paid in lieu of contributions. However, if a nonprofit
6 organization prevails in a redetermination in accordance with
7 subparagraph (4) or appeal in accordance with subsection 5,
8 the department shall not charge the nonprofit organization
9 any further interest on a contested amount which has not been
10 paid by the nonprofit organization, and shall refund to the
11 nonprofit organization within thirty days any interest which
12 the nonprofit organization has paid on the contested amount.

13 EXPLANATION

14 This bill provides that if a nonprofit organization which is
15 a reimbursable employer for unemployment insurance successfully
16 contests a charge on the nonprofit organization's unemployment
17 insurance account by filing an application for redetermination
18 or an appeal, the department of workforce development shall
19 not charge the nonprofit organization any further interest on
20 a contested amount which has not been paid by the nonprofit
21 organization, and shall refund to the nonprofit organization
22 within 30 days any interest which the nonprofit organization
23 has paid on the contested amount. Under Code section
24 96.6(7)(c), the bill applies to governmental reimbursable
25 employers as well. Reimbursable employers for unemployment
26 insurance are only charged when claims for unemployment
27 insurance benefits are made.